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SUBJECT: MEDIA REACTION: U.S.-INDIA NUCLEAR DEAL, U.S.
ECONOMY, INDIA-PAKISTAN RELATIONS, KASHMIR; NEW DELHI.

This cable reports on relevant media reaction from India's large non-English press. Embassy New Delhi reports on English-language media via email in the daily "Early Edition". USG customers please write to Geeta Krishali (KrishaliG@state.gov) to subscribe to the "Early Edition."

U.S.-INDIA NUCLEAR DEAL

11. "ONE-SIDED LAW," op-ed in the October 9 right-of-center DAINIK JAGRAN Hindi daily by strategic affairs specialist Brahma Chellaney: "The U.S.-India civil nuclear agreement lacks even the basic elements. India has no assured fuel-supply guarantee. It is certain that if the U.S. disrupts its nuclear cooperation with India, the latter will not find alternative suppliers. India does not have the right to reprocess... The Senate's confirmation of bringing the bilateral agreement completely under the U.S. law has dissolved its transparency. In a nutshell India will be under the strict U.S. control. Meanwhile, investment in the Indian nuclear energy sector will be discouraged due to three factors -- unclear conditions of the deal, India's political instability and delay in finalising the commercial agreement. Actually, India will have to make changes in its Atomic Energy Act for the private sector to enter the nuclear trade. In that case, the nuclear deal will at least go through a slight parliamentary examination."

U.S. ECONOMY

¶2. "HELMSMEN OF U.S. FINANCIAL SYSTEM," editorial in the October 8 centrist DAINIK BHASKAR Hindi daily: "The U.S. financial crisis is affecting the whole world. It has created a tumultuous situation in the share markets globally. The Indian share market has also registered a heavy fall. The Bush Administration announced a \$US 700 billion bailout package to rescue its financial system and selected an official Neel Kashkari of Indian origin to handle the bailout program, but economic experts doubt his ability. Although, he has successfully accomplished responsibilities given to him in the past, this time the whole world will have an eye on him. This dramatic episode puts a question mark on U.S. capitalism. A lobby in India, who are followers of the U.S. economy, does not seem to be learning a lesson from this U.S. economic catastrophe."

INDIA-PAKISTAN RELATIONS

¶3. "ZARDARI'S POSTURE" editorial in the October 10, 2008, Mumbai edition of left-of-center Marathi daily LOKSATTA. "Pakistan President Asif Zardari's pro-India stance, reflected in his recent interview given to WALL STREET JOURNAL, means a lot to India. Not a single Pakistani

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head-of-the-state has made such remarks in the last 61 years. At this juncture it is not pertinent to examine whether Zardari means what he says or whether his statements are part of a diplomatic design. The point to be noted is that Zardari holds the Pakistan's terrorist outfits and extremist elements responsible for Pakistan's explosive situation. His remarks against such Jehadi elements are positive enough to bring India and Pakistan closer than ever before. Moreover, Zardari can bring changes in Paksitan if he really wants to...."

¶4. "ZARDARI'S U - TURN", editorial in the October 8 right-of-center Urdu daily "MUNSIF", Hyderabad: "A couple of days back, the Pakistani President Asif Ali Zardari, while talking to an international journal, had said that the militant elements in Kashmir are terrorists, in a stark contrast to the erstwhile line toed by the Pakistani foreign ministry so long, while all other leaders of Pakistan had time and again referred to these elements in Kashmir as Mujahideen. The Indian Media had widely appreciated this observation by Zardari, calling it a step taken in the right direction to improve ties between the two countries. The government of Pakistan contradicted the statements of Zardari soon after, refusing to sway from its previous policy. It was expected that this statement shall be contradicted from all quarters because it has been a favorite wont with the leadership of the People's Party to issue sensational statements for publicity sake. The present government, however, has not shown much interest in improving relations with Pakistan, the way the previous Vajpayee government was hesitant. We are now supposed to deal with the likes of Zardari, for whom there is a huge mismatch between words and deeds."

KASHMIR

¶5. "KASHMIR BURNING" editorial in the October 10, 2008 multi-edition right-of-center Gujarati daily GUJARAT SAMACHAR. "The separatists are always looking for some excuse or the other to create disturbances in the Kashmir Valley. Be it the Amarnath land row or conducting anti-

India rallies, the separatist leaders continue to hold the Valley to ransom through their inflammatory statements.... The scheduled Lal chowk rally in Srinagar points to the fact that these separatists are using pressure tactics on the government to accept their demands. Wavering of Pakistani flags and anti-India sloganeering have become common in these rallies.... Even the local political parties there are providing their tacit support to these elements. The need of the hour for the federal Congress government is to be vigilant against such organized protests that might endanger national security."

WHITE